

## Message Text

LIMITED OFFICIAL USE

PAGE 01 THE HA 01774 170634 Z

16

ACTION EUR-25

INFO OCT-01 ARA-11 ADP-00 EB-11 COME-00 CIAE-00 DODE-00

PM-09 H-02 INR-10 L-03 NSAE-00 NSC-10 PA-03 RSC-01

PRS-01 SS-15 USIA-12 CIEP-02 FTC-01 RSR-01 /118 W  
----- 087236

R 161620 Z APR 73

FM AMEMBASSY THE HAGUE  
TO SECSTATE WASHDC 1109  
INFO AMCONSUL CURACAO

LIMITED OFFICIAL USE THE HAGUE 1774

E. O. 11652: N/ A

TAGS: EGEN

SUBJECT: EQUITY FUNDING CORPORATION SCANDAL

1. E. K. DEN BAKKER, SENIOR OFFICIAL OF LARGEST DUTCH INSURANCE COMPANY, NATIONALE NEDERLANDEN N. V., CONVEYED TO AMBASSADOR MIDDENDORF ON APRIL 10 HIS COMPANY' S CONCERN OVER BANKRUPTCY OF EQUITY FUNDING CORP. OF AMERICA AND ALLEGED FRAUD INVOLVED. NATIONALE NEDERLANDEN BOUGHT 5,000 SHARES SOME WEEKS AGO ON ADVICE OF BURNHAM AND CO. AND SUBSEQUENTLY INCREASED HOLDING TO 9,000 SHARES. THEIR POTENTIAL LOSS IS OVER \$200,000.

2. DUTCH PRESS REPORTS ON AFFAIR INDICATE THAT EQUITY FUNDING IN 1969 ESTABLISHED SUBSIDIARY IN CURACAO ( EQUITY FUNDING CAPITAL CORP. N. V.) TO HANDLE PROCEEDS OF 20 MILLION DOLLAR EURODOLLAR LOAN.

3. IN VIEW OF THIS , AND POSSIBLY OTHER, DUTCH INVOLVEMENT IN SITUATION, WE WOULD BE GRATEFUL FOR ANY INFORMATION WHICH MAY BECOME AVAILABLE ON USG ACTIONS OR INTENTIONS. INFORMATION ON PROSPECTS, IF ANY, FOR REDEMPTION OF SHARES WOULD BE PARTICULARLY HELPFUL. TANGUY

LIMITED OFFICIAL USE

\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* LIMITED OFFICIAL USE

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 APR 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973THEHA01774  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** n/a  
**Errors:** n/a  
**Film Number:** n/a  
**From:** THE HAGUE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730447/aaaaste.tel  
**Line Count:** 58  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 18 SEP 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <18-Sep-2001 by smithrj>; APPROVED <19-Nov-2001 by garlanwa>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** <DBA CORRECTED> jms 980126  
**Subject:** EQUITY FUNDING CORPORATION SCANDAL  
**TAGS:** EGEN  
**To:** CURACAO  
EUR  
SECSTATE WASHDC  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005